

## **We stand for fair taxation**



### **Letter from the Editor**

I see from the Comment in the JEP 16.2.07 that "The issue of Sunday trading will not go away". It goes on to tell us that, "...the days when the Island literally shut up shop on the Sabbath are as distant as the days when the establishment was dominated by those of the Methodist persuasion". We are further informed that, "Now, with so many Islanders' eyes firmly on the business of making a profit and with fewer than 10% of people attending church services, it is hardly surprising that there is a drive to make Sunday much the same as any other day of the week".

But Sunday is not the same as any other day. You don't have to be a Methodist, a Catholic, an Atheist or simply Agnostic to know that. Neither is it for most of us primarily about going to Church. For many people Sunday is the only day they can be sure to have a bit of time off, a welcome breather at the end of a busy week. One day off a week with the family is absolutely essential and it has to be the same day off as the other members of the family if it's to mean anything at all. Not much good is it if everyone has a different day off. You won't enjoy much time together that way will you? Useless!

No doubt bringing in Sunday trading would appeal to the Chamber of Commerce and Economic Development who we are told are responsible for raising this matter again. The ringing of cash tills will be music to their ears. However, the working people in our Island are not merely money making machines to be used indiscriminately by business. They are real human beings with real homes and families.

We all need enough money to support ourselves and our families. It's merely a means to an end. That's understood. But what is of most value in our lives isn't about money at all. We ignore this at our peril. Telling us we must work on Sundays for the sake of the Island, tourism, convenience to others is little more than emotional blackmail. Don't fall for that one. It is more likely to further damage family relationships and invite more unhappiness, marital breakdown and antisocial behaviour from our young people. The media constantly insists that children need mothers who can spend time with them. Fathers too are being encouraged to feature more strongly in the lives of their children.

Of course there are some professions like medics, carers and caterers, to mention but a few, who work on Sundays because they are needed and we're grateful to them for what they do. Some choose to work on Sundays. That's fine with me. It's up to them to know what's best in their particular circumstances. What I'm saying here is that nobody should be compelled to work. Their circumstances may be entirely different.

The Kathy Bull Report 2002 pointed out that the Island now has problem youngsters on a 'big city' scale.

Kathy Bull believes that some of the reasons for the marked increase in difficult behaviour amongst young people can be put down to:

Family circumstances: 90% of those interviewed said that their parents worked long hours and were therefore absent from home.

Think well about this before you agree to Sunday Trading. Ask yourselves if the price we'll pay to further line the pockets of the rich and the big companies is really worth it?

This is a topic I know something about from personal experience. There were only two of us in my family when I was a child. There was my Mum and there was me. In fact, we were told that we

didn't qualify as a family. From the time I was 2 weeks old my Mum worked as Manageress of a sweets and chocolate shop in King Street. It wasn't long before the other kids in town called it Pat's Mum's shop. We were proud of it, built it up from nothing and were grateful for the work. The shop was our bread and butter. We needed the money as there was no help at all from the States and no child allowance for the first child. What Mum earned was what we lived on. The great thing was that she always had Thursday afternoons and Sundays off. Those times together were magic. They were times for rock climbing, swimming in the sea and exploring our beautiful Island. We were rich. We had absolutely nothing and we had everything.

By the time I was twelve Mum had to find a second job just to make ends meet. So before opening the shop she cleaned the Drawing Office on the top floor of the States' Building. The States' cleaning job was a twice daily affair because there were 12 coal fires to be cleaned out and relayed each day. Now she worked from 7.30 in the mornings and got home at 7.45 in the evenings. I often cycled round and gave a hand with both these jobs. It had become our work rather than just Mum's work. I liked that.

Throughout all that time there was never a question of Sunday opening. The Island was bursting at the seams with visitors then! Even so Sunday was our day to do with whatever we wanted. That's real riches. We were lucky.

But what of now?

Some might tell me that Sunday work will not be imposed on anyone, that it will be entirely voluntary. Oh Yes? So why can't I bring myself to believe it?

Can you imagine a Mum or Dad sitting there saying, "No I need to be at home on Sundays" while the person behind him/her in the interview queue is willing to work any time? Who's most

likely to get the job? Go on. Guess!

So, unless we speak out loud and clear right now I can only assume that whoever needs the work will feel obliged to commit to Sunday Trading.

So don't let's ever forget that families and individuals need the assurance that however hard they have to work all the week their Sundays are safe. Making Sundays like all the other days of the week might put a few pounds in their pockets, although I doubt it, but it is likely to impoverish the quality of their lives. What is more likely is that it will further enrich the rich and the big companies.

Does anyone care?

*Pat Lucas*

### **Sunday Opening. How fair is this to families?**

When Sunday opening was introduced in the UK Contracts of Employment for new employees suddenly read that they would be required to work 5 out of 7 days, leaving people with no option. As nurseries and schools are not open at weekends where will this leave people with children in Jersey?

With approximately 300 divorces in Jersey per year has any consideration been given to the effect Sunday opening would have on families?

I see this move as further erosion of family life. For many families Sunday is the only day they get to spend quality time together.

For divorced/separated families Sunday is the only day many parents can get to see their children for access. If they then have to work on a Sunday when will they get to see their children or more importantly when will the children get to see the absent parent?

In the UK there is now a group called 'Keep Time for Children' which points out the long working hours and lack of quality time given to children. If parents are working all hours is it any wonder that we see so many children with social problems? 'Keep Time

for Children' states that weekend working is having an adverse effect on families across Britain, particularly on disadvantaged households.

Around 1.4 million parents are working regularly through the whole weekend and over 2.5 million families are affected by a parent working regularly over the weekend. Low paid parents are particularly vulnerable to work at weekends. They simply cannot afford to lose their jobs, and often can't risk arguing for working hours which let them spend time with their family.

While weekend working is often the result of consumer choice, it leaves little choice to the workers themselves. Research undertaken and published in September 2002 found that 75% of workers who work weekends do not do so out of choice. Amongst mothers in this group 78% said that they were dissatisfied with working on Sundays.

Some may say that if parents cannot afford to look after their children properly then they should not have children in the first place. A recent news story from the UK pointed out that England is facing a future problem as some 90,000 fewer children are being born each year. This in turn will lead to problems in the future with our generation having no younger people to care for the elderly or obviously pay into the system? Incentives are being looked at.

Europe and the Mediterranean have many more holidays than the UK and shorter working hours. They are also much more family orientated and therefore there is less youth crime and problems.

With large supermarkets open 6 days a week from 8am until 9pm there really is no excuse to have to open on a Sunday. Most other shops are open 6 days a week now. Again many open from 9am until 6pm.

As for the excuse that it will attract tourists we fail to understand this point as people actually go on holiday to relax and get away

from the hustle and bustle of daily life. Many people who visit European and Mediterranean countries find shops closed during the siesta time and during the many holidays. Jersey really does not offer cheaper prices any more and with shops not deducting VAT how will this increase business? Surely it will merely spread the weekly takings over seven days instead of six. We are all very well aware many of our local residents regularly travel to the UK and France on shopping trips to save money and with GST looming who is kidding who?

If Sunday opening is seriously to be considered then there must be good legislation preventing employers wording contracts of employment in a way that leaves employees with no choice but to work. There are many single people or people without children who may welcome working on a Sunday and therefore it should be by choice not force.

Please remember our children and put them first. Do what is best for the younger generation otherwise we will only see even more children with problems. We in Jersey are failing our young people.

*Denise Carroll*

Is it really not time to give our youth a chance? In past generations there was plenty of open space for youngsters to hang out and kick a ball around without disturbing anybody. Today every spare piece of land seems to be being built on - if it is not even more flats it is office space. This equates to over population which brings about social problems. Human beings need recreational space and youth do not necessarily want structured organisations and not all parents are able to afford the costs involved. Nursery costs and provision are still being debated. By the time this is sorted out many of our children will no doubt have gone past the need for nursery provision. What about our younger children where both parents have to work long hours to make ends meet? This is not the parents' fault but is our Government's for allowing our Island to become so expensive.

## **Jersey – Island in the Sun!**

Senator Frank Walker is continually telling us that we live in an “inclusive society” where “the people of Jersey have a high quality of life”.

Let us take a closer look at what he means. Jersey’s high value residents, the ones that seek residency in Jersey so they can avoid paying their codified tax liabilities in their country of origin, only pay on average £71,000 a year in personal income tax. This is very low considering that some of them are billionaires. Therefore, they obviously have a high quality life.

Then there are the 12,000 people employed in the finance industry, who on average earn £37,500 per year. They probably have a reasonably good life style, as only 30% of households in Jersey have a yearly income in excess of £34,000.

This leaves 70% of households that have a yearly income of less than £34,000, so do they have a high quality of life? Are they socially included? We could look at public spending on social protection and social housing as a percentage of our gross national income (GNI) to see if Jersey looks after its less well off people. For example, the Social Security Department’s budget is slightly less than 2.7% of GNI, and the Housing Department’s budget is less than 0.01% of GNI. Both of these are well below the European average, yet Senators Routier and Le Main state that their departments can manage with these dismal budgets.

Senator Le Sueur says he is looking at tax incentives to aid people to save for their future, so they do not have to be dependent on the dismal support they currently receive from Social Security and Housing. We would ask, how do you save for the future when social protection benefits and a minimum wage of £5.24 per hour will keep people in income poverty, deprive them of material goods and socially exclude them from mainstream society? A working week of 40 hours on the minimum wage

without deductions only equates to £209.60, which is less than 40% of the average weekly wage in Jersey and 20% less than the internationally recognised benchmark for assessing relative poverty. How do you save for the future when 70% of households in Jersey have an income of less than £34,000 a year? Those who have tried to save for the future, have now found that the endowment policies and pension plans they have paid into are not worth the paper they are written on. How do you save for the future when the average price of a one bedroom flat is £169,000 and a three-bedroom house is £388,000?

At least 50% of households in Jersey suffer from at least one or more of the three benchmarking measures for assessing relative poverty. These are:

income,  
material deprivation and  
social exclusion

Jersey only uses income to measure relative poverty at the current time. This may well be due to the fact that material deprivation and social exclusion tend to demonstrate a truer reflection of relative poverty in reality. For example, if your household income is less than £20,500 per year or your personal income is less than £16,800 per year you will suffer from relative income poverty. Measuring material deprivation is based on what you do not have, but would like to have if you could afford to. If your household does not have half or more of the below list you can be deemed to be in relative material deprivation poverty.

A computer.

A dishwasher.

A daily paper.

A car.

A washing machine.

A mobile telephone.

A driving licence.

A video cassette recorder.

A garden.

A stereo system.



Measuring social exclusion is based on whether your household would like to take part in the below activities if you could afford to. If your household is not able to participate in half or more of the below list you are deemed to be in relative social exclusion poverty.

Have a private pension plan.

Have a one week holiday away from home once a year.

Have a night out once a fortnight.

Go to the cinema, theatre or concert once a month.

Have access to a cottage for one week once a year.

Have friends or family for a meal once a month.

Have a special meal once a week.

Have a dental examination once a year.

Have a haircut once every three months.

Have a driving licence.

Research conducted by many civil society organisations over the last 100 years tends to indicate that households who have an income in excess of £20,500 per year in Jersey, and therefore not in relative income poverty, tend to suffer from material deprivation and social exclusion poverty approaching average household income of £34,000 per year. We therefore believe that Jersey is not an Island in the sun, but an Island on the dark side of the moon for at least 50% of households in Jersey.

*Chris Steel*

**There is an old Indian saying  
“Always seek company of those who  
hunger for justice and fairness but  
be wary of those who feel satisfied”.**

*Quotation sent by Prem Sikka*

Extract From:

## **The Most Important Conference You Never Heard About**

In the "already happening" department, one of the outcomes of World Social Forum 2007 was the creation of the Tax Justice Network for Africa, which is struggling against illicit capital flight, tax evasion, tax competition, tax avoidance and other brutal tax policies and practices. A new Africa Water Network was also formed by more than 40 organizations across Africa opposing the privatization of water. It is these kinds of networks that begin to take the WSF into a realm beyond that of a morale building festival.

John Christensen, staffer for the London based Tax Justice Network, told me that the formation of the Africa tax justice group was a direct outcome of conversations at previous WSF meetings. According to Christensen, tax issues will emerge as the "next big thing" for global anti-poverty activists. He may be right.

He makes good points about tax policy as the underpinning of both injustice and misconceptions about the "third world". The basic idea is very simple. Were transnational companies to pay anything close to fair taxes on their operations in poor countries, the impact on debt relief and corruption would be enormous.

As a result of tax evasion, aggressive tax avoidance, illegal arms trafficking, outright embezzlement, transfer mispricing (a practice that Wal-Mart and others use to evade taxes even in the US), counterfeiting and narco-trafficking, transnational corporations deprive the governments of poor countries of needed revenue. That in turn makes them the more vulnerable to the loan dependency manipulations of the World Bank, the IMF and the corruption that comes with the whole range of dirty money schemes. The dirty money schemes are in turn facilitated by the squeaky-clean appearance of Swiss bank accounts, offshore tax havens, the absence of transparency in global financial transactions and other components of the global banking system. There are many points of darkness in the vicious circle of exploitation of the peoples and

economies of the global South but the tax evasion strategies of transnational corporations, not to mention rock stars like Bono and the Rolling Stones, are certainly among them.

*By Frank Joyce, AlterNet. February 16th 2007.*

## **Comment**

Indeed many would agree that Jersey should contribute far more generously to Overseas Aid. However, it must be said that Jersey, along with 70 plus other tax havens of the world, is part of the problem rather than the solution. Tax avoidance by the super rich individuals and companies causes and entrenches poverty on a local to global scale.

*Pat Lucas*

## **The Poor Rich**

So Mr Spears, a retired Banker is crying out for more Tax relief for the wealthy (JEP)

Why?

His reason is that because of the increased extended power of the Income Tax department to probe residents' income, just as they do for the rest of us, it could upset the 1(1) Ks already here and put others off from coming, as they could be tempted away to a more lenient jurisdiction. Well fancy that!! Horrors of Horrors, what will we all do if they up sticks and take all their offshore accounts and tax free Trusts with them? Just how will we all survive?

At the moment if they only have an income of up to £1 million, their tax is set at 20%, then at 10% for the next £580,000, and then 1% thereafter (excuse me whilst I reach for a hanky). Mr Spears feels that it is too much for the dears. Why, when we all pay our dues, as everyone should, and have no such bargaining arrangements with the Tax Office?

I have a cunning plan!! Say 20% on the first £50,000, 25% up to £1 million, and 40% thereafter. It is only right that the more you have the more you contribute surely, and if you are not prepared to pay to live in this beautiful Island with its existing tax advantages like no Death Duties etc, then bye bye!!

*John Heys*

## **Mission Statement**

We are members of the Association for the Taxation of financial Transactions for the Benefit of Citizens (Attac) & the Tax Justice Network (TJN).

The aims of both organisations are to research, educate and campaign to further public awareness. We are seeking to alleviate poverty through the creation of just taxation systems to fund social goods.

[www.aabaglobal.org](http://www.aabaglobal.org)

[www.taxjustice.net](http://www.taxjustice.net)

[www.jersey.attac.org](http://www.jersey.attac.org)

[www.isthisjersey.com](http://www.isthisjersey.com)

**If you would like to send us a story or short article please  
contact Pat Lucas - e-mail address:  
[jeanandersson42@hotmail.com](mailto:jeanandersson42@hotmail.com)**

Our next meeting takes place on Thursday 19th April from 7.30p.m. - 9.00p.m. at St. Paul's Centre, Dumaresq Street.

